

# CORPORATE BOARD

## NORTH WEST KENT COLLEGE

### Minutes of a meeting of the CORPORATE BOARD

held at 5.30pm on Thursday, 21 May 2009, at Oakfield Lane, Dartford

**Present:** Mr E Anderson (Chairman)  
Ms E Birchenough  
Mr J Parkes  
Dr R Finney  
Mrs S Adams  
Mrs L Rowan  
Mr G Moody  
Mr O Oguns  
Mr R M Bell

**In attendance:** Mr D Holland (Clerk to the Corporation)  
Mr G Parrett (Director of Finance and Systems)  
Mrs C Hopkins (minuting secretary)

#### I-1 APOLOGIES

Apologies for absence were received from Mr J Hill, Ms S Nicholson, Mr R Singh Gill, Mr B Newell and Mrs P Jones.

#### I-2 MINUTES

2.1 The minutes of the meeting held on 25 March 2009 were approved and signed as a correct record.

#### 2.2 Matters Arising

##### 2.2.1 (R-4.2) Term of Office of Chairman/Vice Chairman

The Chairman referred to the resolution defining the term of office of the Chairman and Vice Chairman, which he believed required clarification. He suggested that the text, as it currently read, appeared to indicate that the Chairman and Vice Chairman could serve only four years, which had not been the intention. Members considered the resolution as drafted and concurred that “each” should be inserted prior to “office of the Chairman and Vice Chairman ...”. The resolution should be revised, as follows:

#### Action

***“RESOLVED to define each term of office of the Chairman and Vice Chairman of the Corporation as being for a maximum of four years, subject to the provisions of an appraisal process, if implemented. At the conclusion of a four year term, the Chairman and Vice Chairman might be re-elected for a further term, not exceeding four years, at the discretion of the Board.***

**Action**

### **I-3 MANAGEMENT ACCOUNTS TO MARCH 2009**

Members received and noted the Management Accounts to March 2009 (Paper No CB/21.05.09/I-3). The Director of Finance and Systems believed that the core LSC activity would be close to contract at year-end as 16-18 student were at 99% of contract and ALR at 98%. Members noted that a £13,300 surplus was evident as at March 2009. Financial Key Indicators were as expected based on the capital project, with a current ratio of 0.35. Debtor and creditor days were not of concern and there were no cash difficulties at present.

Referring to the appendices, the Director of Finance and Systems highlighted specific areas:

Appendix 1 – Income under the category of ‘Employer Responsive’ was under budget and NVQ targets will not be reached at year end. Pay was more positive with a £56,000 variance. With respect to Non Pay, an overspend within Registry was recorded, owing to the growth in student numbers and the associated examination fees. The Director of Finance and Systems explained that Examination Boards were increasing their fees, which was an issue within the sector.

Appendix 2 – Members noted that staffing was slightly under budget at this time.

Appendix 3 referred to the ILR Funding Estimates for 16-18 year old learners and was based on the new funding methodology. Members were reminded that the National Funding Rate apportioned to learners, as shown on the Appendix, was below that actually funded to this College; the applicable rate being £2,901.

Appendix 3a showed the ILR funding estimates for 19+ students based on the new funding methodology. Members were advised that the National Funding Rates shown were correct.

Appendix 3b and 3c – Outlined the numbers of students involved with Train to Gain and NVQ in the workplace as at the end of March 2009.

Appendix 4 – The cashflow would be very challenging for the College over the next twelve months, as shown in the Appendix. Members noted that reference to the capital project at Dartford had been removed from the forecast until further information was forthcoming from the LSC.

Appendix 5 – Members were reminded that the Balance Sheet showed the increase in fixed assets in the last twelve months, which was due to the capital project. The Director of Finance and Systems reported that, for the next meeting, he would prepare a balance sheet which excluded the capital project.

Appendix 6 – The 2008/09 Summary Statement of Activity outlined the complexity of the funding streams this year.

Appendix 7 – Members noted that the document highlighted a strategic overview within the general FE sector in 2007/08, specifically in relation to financial aspects of their operations. Those colleges at the start of benchmarking table were in possession of higher borrowings as a percentage of their income, most likely due to being involved in capital projects. The Director of Finance and Systems believed that this College was well placed overall.

#### **I-4 USE OF CORPORATION SEAL 2008-2009**

Members received confirmation from the Clerk that the Corporation Seal had been used once during the period 21 January 2009 to 13 May 2009 (as detailed in Paper No CB/21.05.09/I-4).

#### **I-5 MEMBERS' INTERESTS**

Members received and noted the list of Members' Interests (Paper No CB/21.05.09/I-5) which had been updated recently.

#### **I-6 REVISED CALENDAR OF MEETINGS 2009/2010**

Members received and noted the revised Calendar of Meetings for 2009/2010 (Paper No CB/21.05.09/I-6). Members were satisfied with the Chairman's amendments to the dates of the Corporation meetings in the Spring Term 2010.

#### **D-1 PRINCIPAL'S REPORT**

Members received and noted the Principal's Report (Paper No CB/21.05.09/D-1).

Members noted that the College had received notification of an overall

increase in funding of approximately £1.8m for 2009/2010, which included funding for an additional 300 full-time 16-18 year old students and significant funding increase for Additional Learning Support. However, the Principal advised that notification of total funding was not now expected until mid June. The Principal also advised that, within the Sector, there would be some clawback of 16-18 funding for next year and uncertainty remained in relation to 19+ apprenticeships. In addition, funding for Train to Gain had been cut for 2009/2010, although the Principal believed that an additional £12m was now available for the south-east region.

In relation to the capital project, the Principal reported that some £515m had been identified over three years to support capital projects within FE, with priority being given to “most urgent and greatest need” projects able to commence by September 2009. The College had been one of forty approached and the requested further information has been provided to the LSC. The Principal advised that formal approval will be granted to an estimated fifteen of the forty colleges by the LSC National Council on 3 June, although it was noted that ‘application in detail approval’ would subsequently be known as an ‘authority to proceed’. Members were informed that twenty-two of the forty colleges were in the south-east region, in which, the Principal believed, only two projects would be given ‘authority to proceed’ on 3 June. The Principal highlighted that a reduced Phase 1 at Dartford (new accommodation along Oakfield Lane) for £30m, with a Phase 1a to follow, may be a likely way forward, as he did not expect to receive £60m for a large project.

Further, he advised that all capital projects were to be signed off by the Minister, following PriceWaterhouseCoopers’ sanction on the financial side. Members noted that it would be necessary to reflect in the 2008/2009 financial statements the capitalised cost so far incurred within the project, currently £9m-£10m for this College which would, in effect, highlight a loss of £9m-£10m. That said, the Principal believed some support for professional fees already expended would be forthcoming by the end of the year.

The Principal concluded, in relation to the capital project, that he believed there would be clearer guidelines in relation to future spending.

Referring to the Bluewater Apprenticeship Scheme being run in conjunction with the College, the Principal advised that six apprenticeships were expected this summer. If the scheme was successful over the first few months, the College may approach others with a view to developing the scheme further.

Members noted that the proposed SusCon project had been adversely affected by the general funding difficulties, although the outcome of a bid for development of the curriculum associated with the SusCon development was still awaited.

The Principal referred to the grades recently received by the College in

relation to Framework For Excellence: two outstanding, two good and four satisfactory. The Principal believed this to be a reasonable result. Further discussion would take place at the Standards Committee meeting on 9 June.

## **D-2 CAPITAL PROJECT - MONTHLY STATUS REPORT TO APRIL 2009**

Members received and noted the Capital Project Monthly Status Report as at April 2009 (Paper No CB/21.05.09/D-2).

In the Vice Principal's absence, the Principal reported that he believed the Gravesend project to be within budget, although some apportionment of the costings in relation to Phases 1 and 2 at Gravesend, such as the new electricity connection, had to be taken into account. Two issues in relation to Gravesend were noted: the traffic flow on site had been due to be altered, however funds now prevented such alteration; and the inability to demolish the existing Block C at present. The Principal advised that he anticipated that the Learning Resources Centre within Block C would be used, although the remainder of the accommodation would remain vacant. The Principal agreed to reconsider the approval in detail for the Gravesend campus in relation to the existing Block C, as the Chairman believed that if demolition had been included, the College might have some leverage with the LSC.

The Principal referred to initial discussions which were taking place with the owner of *The Maltings*, workshop and offices next to the Gravesend campus, with a view to leasing the premises over a five year period.

Members were satisfied that nothing further could be undertaken until confirmation from the LSC was forthcoming.

## **D-3 MEMBERSHIP**

### **3.1 Standing Committee Membership**

Members received and noted the current Membership of Standing Committees (Paper No CB/21.05.09/D-3.1). Following discussion regarding Committee membership, as proposed by Mrs Adams and seconded by Mr Parkes, it was:

**RESOLVED** *that the membership of the Standing Committees be as follows, with immediate effect:*

**Audit Committee:** *Mr J Parkes (Chairman), Mr B Newell, Mr R Singh Gill, Mr G Moody, subject to the Clerk confirming that a Staff Governor is eligible for membership of this Committee*

**Finance and General Purposes Committee:** *Mr E Anderson (Chairman), Mr J Hill, Mrs P Jones, Dr R Finney, Mr R M Bell, one vacancy following Ms S Nicholson's resignation from the College*

**Standards Committee:** *remain unchanged – Dr R Finney (Chairman), Ms E Birchenough, Mr R M Bell, Mr G Moody, Mrs L Rowan, Mr B Newell*

**Learner Support Fund Committee:** *remain unchanged - Mr J Hill (Chairman), Dr R Finney and Mr A Ajiyo.*

**Search Committee:** *Dr R Finney (Chairman), Mr R M Bell, Mrs S Adams, Councillor I Armitt (co-opted)*

**Remuneration Committee:** *Mr E Anderson (Chairman), Mr J Hill, Mr R M Bell, Mr J Parkes, Mrs P Jones*

**Special Committee:** *Ms E Birchenough, Dr R Finney, Mr J Parkes*

**Estates Committee:** *remain unchanged – Mr J Hill (Chairman), Ms E Birchenough, Mr R M Bell, Mrs S Adams*

Further, it was

**RESOLVED** *that Mr E Anderson would become a Trustee of the North West Kent College Training Trust*

Further, it was

**RESOLVED** *that Link Governors be as follows:*

**Faculty of Business, Service & Foundation Studies:** *Mrs L Rowan, Mr O Oguns*

**Faculty of Creative, Professional & Academic Studies:** *remain unchanged - Mr B Newell, Mrs S Adams*

**Faculty of Technology, Maritime & Sport:** *remain unchanged – Ms E Birchenough, Mr J Parkes*

**Student Services:** *remain unchanged - Mr G Moody, Mr R Singh Gill*

**Non-Academic Services: *Dr R Finney, [new staff governor]***

**Action**

**3.2 Succession Planning for Chairmen of Standing Committees**

Members received and noted the Preface Sheet to Paper No CB/21.05.09/D-3.2. Referring to the 'shadowing' which had been ongoing for some time, the Chairman believed that greater development of members was required. He suggested a comprehensive review of all Committees, to include structures, terms of reference and succession planning. The Chairman suggested that the current Chairmen of Standing Committees should consider the matter and report back to the Board by the commencement of the next academic year. Members concurred. The Clerk agreed to make such arrangements.

Clerk

**3.3 Review of Link Governor Scheme**

Members received and noted the listing of current link governors and the guidance notes (Paper No CB/21.05.09/R-2.1). Members recalled that discussion about link governors and their role, which had taken place at the Annual Corporate Conference in March.

Referring to the Conference, Dr Finney believed that the link governor scheme was valuable, but considered it to be a 'value-added' activity, not directly contributing to the Quality Assurance process within the College. Mrs Adams supported termly visits but believed that formal, termly reports were unnecessary. Mr Moody considered that members' association with the different faculties or areas should be changed every so often; the Chairman suggested that such movement might occur upon re-appointment. Mr Parkes acknowledged members' involvement through the programme/area review process. The Chairman suggested that the link governor involvement could be considered during review of the Committees (Item D-3.2 on this agenda).

Members were satisfied that the Guidance Notes for Link Governors, as prepared by Dr Finney in June 2006, remain appropriate, as did the Link Governor Scheme.

**D-4 REVIEW OF ROLE OF CLERK**

Members received and noted the Preface Sheet to Paper No CB/21.05.09/D-4. The Chairman reminded members of discussions during the Autumn Term 2008 involving the role of the Clerk. Following his appointment as Chairman, he suggested that the role, not the current incumbent, should be reviewed to ascertain whether it was the most appropriate model for the College, and consider what alternatives existed.

Dr Finney believed that the College benefitted from a full-time Clerk who was part of the College, rather than being an external party, and who had ownership of corporate matters, such as legal issues or insurance. Mr Moody

referred to a recent training event, which had been presented by an independent clerk responsible for a number of colleges on a fractional basis. Mr Moody believed that the role was 'watered down' as a result. Mrs Adams believed the current role was appropriate for this College.

The Chairman agreed to undertake a review of the role of Clerk, with the Vice Chairman, the Principal, the Clerk and the Chairman of Audit Committee, with recommendations being made to the Board by the commencement of the next academic year. The Clerk was asked to make the necessary arrangements.

**Action**

Clerk

**D-5 GOVERNORS' ACCESS TO AoC WEBSITE: DISCLOSURE OF GOVERNORS' PERSONAL EMAIL ADDRESSES TO AoC**

Members received and noted the email from the AoC regarding Governors' access to the AoC website (Paper No CB/21.05.09/D-5).

The Clerk explained the two options being suggested by the AoC as means of corresponding with members: through the Clerk, or directly to members. The Clerk cautioned that if members received correspondence directly, and chose to make comments to the AoC, such comments must be understood to be personal and not representative of the Board's collective mind.

Members concluded that information was best channelled through the Clerk.

**D-6 FURTHER TRAINING EVENT FOR GOVERNORS ON FUNDING TO AUGMENT THAT GIVEN AT THE ANNUAL CORPORATE CONFERENCE ON 7 MARCH 2009**

The Clerk referred to the presentation and training provided by the Director of Finance and Systems at the Annual Corporate Conference on 7 March and reminded members that further training had been requested. He sought members' views on what form of external training they felt was necessary. Ms Birchenough believed more training would be very useful for members. Referring to the uncertainty within the sector, Mrs Adams believed it of little benefit to involve external providers and suggested that the Director of Finance and Systems could provide briefings to members within his Papers. Mr Parkes agreed that further training by the Director of Finance and Systems would be useful. Dr Finney concurred.

The Director of Finance and Systems referred to a funding briefing by Tribal for members of the Middle Management Team which was scheduled for 2 June. The Chairman suggested that a similar briefing may be useful for members of the Board, should feedback be positive.

Following brief discussion, members were of the view that the Director of Finance and Systems should provide training in conjunction with his management accounts, augmented by the Tribal training, if appropriate.

**C-1 ANY OTHER BUSINESS**

None was raised.

**C-2 DATE AND TIME OF NEXT MEETING**

5.30pm, Wednesday, 8 July 2009 at Oakfield Lane, Dartford.

**Action**